

## Michigan Internet & Telecommunications Alliance

### **EXECUTIVE DIRECTOR**

JOHN R. LISKEY liskey@mital.net

February 17, 2014

Ms. Julie Veach

445 12th Street, S.W.

Washington, D.C. 20554

#### **OFFICERS**

Mark Iannuzzi, President<sup>1</sup>

Thane Namy, Vice President<sup>2</sup>

Todd Gardner, Treasurer

Gary L. Field, Secretary

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Re: CC Docket No. 95-116; WC Docket No. 09-109

# EXECUTIVE MEMBERS

Clear Rate Communications, Inc.<sup>2</sup>

DayStarr, LLC

The Iserv Company, LLC

JAS Networks, Inc.

Michigan Online Group, Inc.

TC3 Telecom, Inc.

TelNet Worldwide, Inc.<sup>1</sup>

# FOUNDATIONAL MEMBERS

CMC Telecom Inc.

Comlink Inc.

Dear Ms. Veach:

Chief, Wireline Competition Bureau

**Federal Communications Commission** 

I am writing to express our concern about the selection of the local number portability administrator because of the impact it could have on our member companies. Our association is the CLEC voice in Michigan and is composed of more than a dozen competitive local exchange carriers in the state that have invested over \$100 million in this business.

We noted with interest the February 11, 2014 letter regarding the LNPA selection process that was sent to NANC Chair Betty Ann Kane asking the NANC to ensure that the concerns of all parties are addressed in the NANC's consideration of the selection recommendation. Number portability and the porting of numbers is a fundamental ingredient of telecom competition. This needs to be a simple and timely process to insure smooth and timely coordination with end user needs. Any disruption to the system will harm customers that we are trying to serve, especially the small- and medium-size businesses that drive our economy.

Our concern is supported by the recently released Standish Group report, warning that switching NPAC vendors may cause substantial damage to the industry and consumers. The report found that a project to recreate the NPAC service would have a slim chance to come in on time and within budget. Further, the report estimated that switching NPAC vendors would cost the industry between *\$300 to \$600 million dollars*. The Report



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suggests that the industry will not recoup that investment within the fiveyear contract period, and predicts that the switch will increase costs and lead to lost opportunities which will stifle industry innovation. For obvious reasons, the potential risks of such a transition must be seriously considered before any action is taken.

We are also concerned that the selection process has not adequately evaluated the impact that changing number portability vendors would have on small and medium providers. We understand that the North American Portability Management LLC is engaged in the process, but companies like our members have very little in common with the large carriers that dominate that group. Although the members of the group may be very well intentioned, what they regard as a trivial transition cost could be very significant to a small carrier.

Although thousands of providers depend on number portability as a core component of their business, we are concerned that the local number portability administrator selection process has been a closed process involving a handful of carriers. We urge you to make this an open and transparent process. We would like the opportunity to review and comment upon any analysis that was done regarding the impact of this selection process on smaller carriers and their customers before any recommendation on selection is made to the FCC. Further, we would like assurances that whatever savings flow to each service provider will more than offset the transition costs that it will be forced to absorb.

Respectfully submitted

John Liskey

**Executive Director** 

cc: The Honorable Betty Ann Kane MITA Board of Directors